

Governance, Risk and Best Value Committee

10.00am, Tuesday 27 November 2018

Change Portfolio

Item number	7.5
Report number	
Executive/routine	
Wards	
Council Commitments	

Executive Summary

To report on the status of the Council's Portfolio of significant projects.

Change Portfolio

1. Recommendations

That the Committee note:

- 1.1 the dashboard containing the status of projects within the portfolio as at the end of October in Appendix 1; and,
- 1.2 those projects which are currently assessed as Red and their supporting narrative and remedial action being taken also in Appendix 1.

2. Background

- 2.1 This report forms part of the regular six-monthly report to Governance Risk and Best Value Committee to give members an oversight of delivery and risk of the Council Portfolio of change.
- 2.2 Since our last report in June 2018 the Corporate Leadership Team Change Board has continued to meet monthly to monitor the overall shape and size of the portfolio; manage resource allocation; track project delivery and that benefits are delivered.

3. Main report

- 3.1 The role of the Delivery Unit includes overseeing a portfolio approach to delivery. This encompasses consistency in the management of change through the implementation of best practice activities including business case development. And ongoing prioritisation to ensure projects continue to meet the strategic objectives of the Council and to direct resources to our priority areas.
- 3.2 Thereafter the Delivery Unit oversees the ongoing delivery of projects through to completion through enhanced governance and standards. This discipline includes providing dashboard reporting to the monthly Change Board chaired by the Chief Executive, and to the Governance, Risk and Best Value Committee every six months.
- 3.3 The monthly dashboard in Appendix 1 sets out the current status of the portfolio as at the end of October.
- 3.4 In January, Internal Audit issued a report on how the Council manages Projects, Programmes and Benefits Realisation. Work is well underway to develop and

enhance good project and programme delivery practices across the organisation. To date 10 internal audit actions have been closed, we are in active dialogue with Internal Audit around closing 4 actions and there are further 2 actions which are not yet due.

4. Measures of success

- 4.1 Success will be based on how well the Delivery Unit and Portfolio dashboard support the council to manage and monitor change, and ensure delivery of strategic objectives and coalition commitments. In doing so, we aim to ensure that the right projects are taken forward at the right time.

5. Financial impact

- 5.1 The financial impacts of significant change will also be reported through the revenue and capital monitoring process. The purpose of the pack is to give a holistic overview of all the change activity in the council so we can direct finances accordingly.

6. Risk, policy, compliance and governance impact

- 6.1 The Change Board ensure greater transparency in decision making, management of risk, prompts remedial action, and provide assurance around the delivery of change.

7. Equalities impact

- 7.1 Equalities impact assessments are carried out within individual projects led by the Senior Responsible Officer (SRO). They are addressed in separate reports to Council or Committee.

8. Sustainability impact

- 8.1 Sustainability impact assessments are carried out within individual projects led by the SRO. They are addressed in separate reports to Council or Committee.

9. Consultation and engagement

- 9.1 Consultation and engagement is carried out within individual projects and is addressed in separate reports to Council or committee.

10. Background reading/external references

10.1 [Change Portfolio June 2018](#)

10.2 [Internal Audit Update Report 1 January to 31 July 2018](#)

Andrew Kerr

Chief Executive

Gillie Severin, Strategic Change and Delivery Manager

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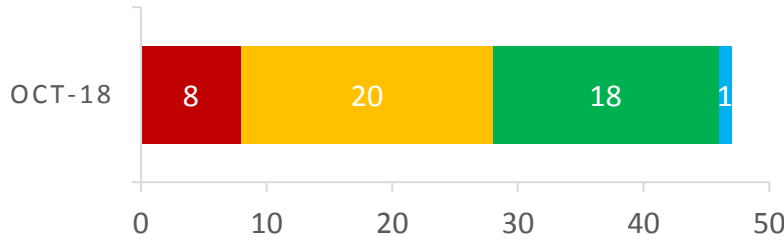
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11. Appendix

Appendix 1 Portfolio Dashboard as at the end of October.

PORTFOLIO RAG STATUS



MOVEMENTS IN THE PORTFOLIO IN THIS CYCLE

GDPR	Completed :and now managed within Risk Framework
2050 City Vision	Moved to Business As Usual
Edinburgh Partnership Review and Consultation of Governance & Partnership	Completed and managed through Business as usual
Edinburgh Partnership Community Plan LOIP	Completed and managed through Business as usual
Fountainbridge	Joins the Portfolio as a new project

PROJECTS REPORTING RED

Facilities Management Transformation – Asset Management Strategy

Estate Rationalisation – Asset Management Strategy

Travel Demand

Edinburgh Leisure : Sports Facilities in Schools

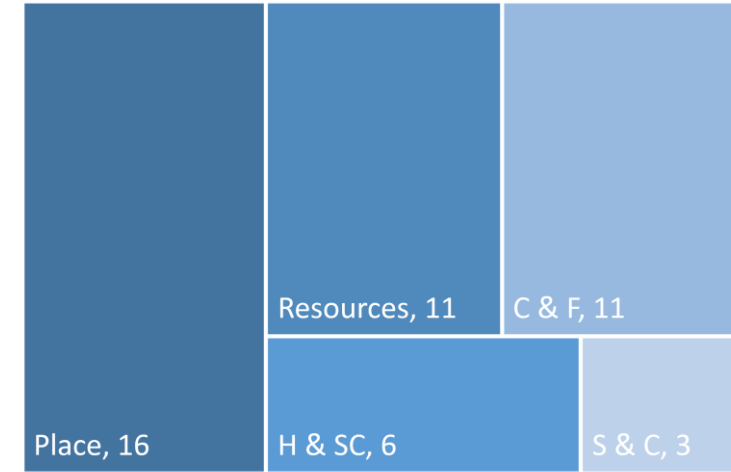
Building Standards Improvement

Reablement and Homecare Efficiency – Health and Social Care

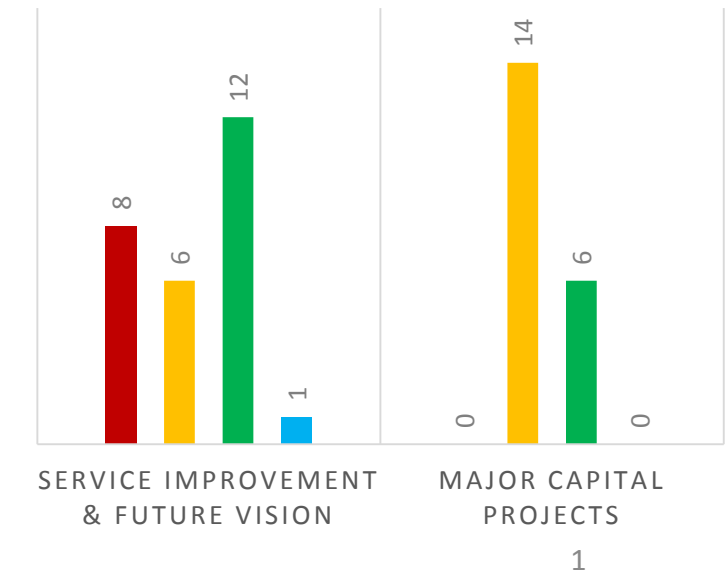
Asset Based approaches to Demand Management - Health and Social Care

Service Transformation Self Directed Support - Health and Social Care

PROJECTS BY DIRECTORATE



RAG BY THEME



Directorate project performance overview

Service Improvement & Future Vision

Place	Resources		Communities & Families	Health & Social Care	Strategy & Insight
Building Standards Improvement	Asset Condition	Gandlake	Edinburgh Leisure-Sports Facilities in Schools	Assisted Transport Review	Committee Mgt Systems
Communal Waste Redesign	Facilities Management Transformation	Voice/ Call Centre	Travel Demand Management	Workforce Management and Agency Control	Merged File and LAAC Record Review
Roads Improvement Plan	Estate Rationalisation	ERP	SWIFT Replacement	Reablement & Homecare Efficiency	Edinburgh and South East Scotland City Deal
Local Development Plan 2	Investments	Intranet		Responder Service Contract Review	
	Customer Transformation Programme	Barclaycard Online Payments - Completed -		Asset Based approaches to Demand Management	
	Enterprise Content Management			Service Transformation (self-directed support)	

Directorate project performance overview

Major Capital Projects

Place	Resources	Communities & Families	Health & Social Care	Strategy & Insight
West Princes Street Gardens inc Ross Fountain		New St Johns PS		
North Bridge refurbishment		New St Crispins		
Fleet Services		Rising School Rolls		
Edinburgh St James GAM Agreement		Early Years Stage 3		
Zero Waste		New Queensferry High		
21 st Century Homes		New South Edinburgh PS		
National Housing Trust		New Broomhill PS		
Fountainbridge		New Victoria PS		
Meadowbank Redevelopment				
Energy Efficient Street Lighting LED Replacement				

Portfolio Update: the following projects have reported as **RED**

Project	Senior Responsible Officer	Description	Mitigating Actions
Facilities Management Transformation	Peter Watton	The Facilities Management (FM) Transformation element of the overarching Asset Management Strategy Programme has proven more challenging to implement than was originally envisaged. The phase 1 Janitorial Review has been completed and implemented and the phase 2 review of the Cleaning service is currently being scoped. However, with the Councils' operational estate increasing in size due to new schools, the FM team is facing cost pressures with more floorspace to support, rather than a reduced estate costing less to manage.	The Asset Management Strategy, which was originally set in 2015, is currently the subject of detailed review, which will be reported to the Finance and Resources Committee in January 2019. This review will seek to address the issues of non-delivery of financial savings and the underlying assumptions from the original strategy, designed by external consultants, being flawed.
Estate Rationalisation	Peter Watton	The Estate Rationalisation element of the overarching Asset Management Strategy Programme has been unable to release the assumed financial savings originally forecast, because the scale of disposal of Council operational properties has not been able to be achieved. A fundamental review of future disposal and rationalisation opportunities needs to be undertaken, given that corporate office accommodation has already been significantly reduced within the city centre.	The Asset Management Strategy, which was originally set in 2015, is currently the subject of detailed review, which will be reported to the Finance and Resources Committee in January 2019. This review will seek to address the issues of non-delivery of financial savings and the underlying assumptions from the original strategy, designed by external consultants, being flawed.
Travel Demand	Crawford McGhie	Sensitive and challenging project to deliver Financial Savings.	New SRO in appointed. Dedicated Project Manager to be allocated. Further Business Case to be developed around the mix of in house vehicles and staff to enable further savings.
Edinburgh Leisure Sports Facilities in School	Andy Gray	The transfer of the management of secondary school sports facilities to Edinburgh Leisure currently sits with a budget pressure of just over £1m. This pressure stems from historic income targets and additional costs such as charges from PPP partners and FM.	Measures to reduce the deficit such as price harmonisation have been implemented whilst others such as the introduction of non-core hour charge to customers have been put on hold following an approved motion at Full Council. Options to further reduce the budget pressures are being progressed.
Building Standards Improvement	Michael Thain	Red status remains in place ahead of the Scottish Government appointing verifier status.	Robust Improvement Plan in place with clear actions and deliverables. Good progress being made against recommendations however status Red as we await decision from Scottish Government in March 2019.

Portfolio Update: the following projects have reported as **RED**

Project	SRO	Description	Mitigating Actions
Reablement & Homecare Efficiency	Judith Proctor	Red status reflects the inability to deliver cost avoidance savings as targeted.	The Sustainable Community Support programme is considering the shape of internal and commissioned home care services going forward and will design optimal model. Efforts will continue to make short term efficiency improvements in these services in the meantime.
Asset Based approaches to Demand Management	Judith Proctor	Red status reflects the considerable slippage in projected financial benefits.	The Partnership is redesigning its approach to change and transformation and the revised programme will be presented to the IJB in early 2019. The mainstreaming of asset based practice will form a key part of this, with refreshed business case and implementation plans to follow.
Service Transformation Self Directed Support	Judith Proctor	Red Status reflects that the Project has never been scoped or initiated.	The future approach to self directed support will form part of the revised transformation plan, which will be presented to the IJB in early 2019.

RAG status guidelines: the following RAG guidance is provided to project SROs

RED	Amber	Green
<ul style="list-style-type: none"> - The project requires immediate remedial action to achieve objectives - The timeline/cost/objectives are at risk - Significant obstacles or issues prevent the work team and consequently the programme from meeting plans - Even with corrective action, expected action may be insufficient to ensure outcomes/ benefits are met - 2 or more projects / workstreams are RED - 2 or more risks or issues are red 	<ul style="list-style-type: none"> - The project has a problem but action is being taken to resolve this , or - The project has a potential problem that has been identified and no action may be taken at this time but it is being carefully monitored - Some obstacles or issues put the work team at risk of meeting plans - Outcomes/ benefits likely to be achieved but action must be taken quickly - 1 - 3 projects / workstreams are AMBER - 0 to 2 projects / workstreams are AMBER - 2 or more risks or issues are RED 	<ul style="list-style-type: none"> - The project is on target to succeed. - Face only minor obstacles, if any - High confidence in ability to implement plans - No issues are threatening the outcomes or benefits - 0 to 1 projects / workstreams are AMBER - No projects / workstreams are RED - No risks or issues are RED

Prioritisation Framework: this matrix acts as a guide as to whether a project should report to the portfolio board

SECTION 1 - PRIORITISATION AND CATEGORISATION FRAMEWORK

	Low - 1	Medium - 2	High - 3
Strategic	Does not align to the Council's Strategy Framework	Supports/ enables Council Strategy Framework Business Plan/ Coalition Pledges, City Vision/ City Deal	Integral component Council Strategy Framework Business Plan/ Coalition Pledges, City Vision/ City Deal
Financial	Financial impact revenue/ capital <£1m	Financial impact revenue/ capital £1-5m	Financial impact revenue/ capital £5m + Generates significant savings/income
Risk	Low probability of the risk materialising which has an impact on the Council's Objectives	Possible that the risk may materialise which has at least a significant impact on the Council's objectives	Greater than 50% that the risk will materialise with at least a significant impact to the Council's objectives
Transformational	Incremental change to the current service offering	Provides opportunity for a changed service offering such as deploying new software, however the changes does not fundamentally alter the service offering	Provides opportunities to deliver at least one service in a new or significantly different manner
Community / Environmental Impact	Moderate impact on one locality	Moderate impact on multiple Localities or significant impact in at least one locality	Major impact on Multiple Localities or significant impact in at least one locality forming part of a locality improvement plan
Political	Negligible/ Minor political implications	Project will require ongoing Committee Scrutiny	Highly sensitive, likely to be subject to Committee debate and scrutiny. Potential for Trade Union interest / Service reductions
Staff Impact/Culture	Negligible/ Minor staff implications	Major staff implications in at least one Service Area	Highly sensitive, likely to be subject to Committee debate and scrutiny. Potential for Trade Union interest / Service reductions
Legislative	Marginal change to existing regulatory/ legislative framework	New Mandatory Regulatory/ Compliance Project which has an incremental change. Unlikely to carry reputational impact	New Mandatory Regulatory/ Compliance Project with potential of reputational impact

SECTION 2 - OVERALL PROJECT CATEGORISATION

	Overall Weighted Score	Description
1. Transformational	15 or above	Projects of work which have significant strategic, financial and political impact for the council and our customers.
2. Business Change	10 to 14	Projects of work or necessary undertakings which delivering incremental and/or important outcomes for the council and our customers.
3. Small Change	Less than 10	Localised changes or undertakings which have low strategic, political or financial impact but are required to be delivered.